



OMWBE GUIDELINES FOR CTC & INSTITUTION REPORTING

INDEX

	<u>Page</u>
GENERAL	1
LEGAL AUTHORITY	1
EXPENDITURE REPORTING – OVERVIEW	1
REPORTING PROCESS	2
DETERMINING MBE AND WBE UTILIZATION	2
REPORTS	2
APPENDIX A – MWBE PROGRAM SUB-OBJECTS	3
APPENDIX B – EXCEPTIONS	4
APPENDIX C – DATA ENTRY INSTRUCTIONS AND FORMAT	7
APPENDIX D – REPORTING PURCHASE CARD EXPENDITURES	8
ASSISTANCE / QUESTIONS	9
APPENDIX E – OMWBE UTILIZATION REPORTS (Sample Forms)	10

Note: Updated postings are identified in green.

OMWBE GUIDELINES FOR REPORTING

GENERAL:

The purpose of this document is to provide Colleges/Universities with guidance for reporting expenditures in a manner that allows the Office of Minority and Women's Business Enterprises (OMWBE) to calculate the expenditures by Colleges/Universities with certified Minority Business Enterprises (MBE), Women's Business Enterprises (WBE), and non-certified businesses.

These guidelines are intended to provide for the efficient collection and reporting of expenditure data and allow OMWBE to report compliance with annual goals established pursuant to Chapter 39.19 RCW for each College/University.

LEGAL AUTHORITY:

Chapter 39.19 RCW establishes the minority and women's business enterprise program. The statute applies to all public works and procurement, specifically chapters 28B.10, 39.04, 39.29, 43.19, 43.105, and 47.28 RCW.

The statute requires OMWBE to establish annual percentage goals for the participation of minority and women's businesses, and to establish a system of monitoring compliance. The statute also requires each College/University to comply with the annual goals established by OMWBE.

All Colleges/Universities are required by WAC 326-40-050 to make expenditure data available to OMWBE.

EXPENDITURE REPORTING - OVERVIEW:

OMWBE prepares utilization reports based upon data submitted by the Center for Information Services (CIS) on behalf of the community colleges or directly from the University. OMWBE does not verify the correctness of any of the data elements, such as identity of payee, dollar amount, or type (assigned sub-object). OMWBE does issue a Part 3 MWBE Sub-Contractor Correction Report to advise the College/University when the reported taxpayer identification number ("TIN") of a firm does not match the firm's TIN in OMWBE's database. This report also identifies any decertified firms during the reporting period (See Appendix E).

These reports are intended to reflect the discretionary purchasing decisions of the Colleges/Universities. Therefore, only those expenditures categorized in 38 sub-objects are analyzed (See Appendix A). These 38 sub-object categories typically represent acquisitions where the College/University has discretion to select the vendor. The sum of the expenditures in these sub-objects constitutes the "Reporting Base" except for Travel (GB, GG and GD). OMWBE has determined sub-objects GB, GG and GD to be additive exceptions (See Appendix B). Expenditure records in all other sub-objects are not part of the utilization reports.

REPORTING PROCESS:

Community Colleges/CIS Reporting: The reporting process begins when CIS electronically reports its expenditures (“records”) on behalf of the colleges. Records are reported to the CIS and then directly to OMWBE by providing a monthly batch report.

Universities/Institutions: Currently report directly to OMWBE. In all instances, individual expenditures must be recorded in accordance with the format set forth in Appendix C and D.

These records (“Reporting Base”) are then reviewed by OMWBE for the presence of a valid “Exception Code” (See Appendix B). The records with valid exception codes of (E, S, K or N) are deleted. The remaining records constitute the “Participation Base” from which utilization percentages are calculated.

Colleges/Universities do not need to identify the certification status of firms (e.g., MBE, WBE, MWBE, or CBE). OMWBE verifies the certification status of a firm by checking the TIN number identified in the record with the firm’s TIN number shown in OMWBE’s Directory of Certified Firms. If the TIN numbers match, the dollar value of the record is aggregated to the report.

Therefore, it is important that the record include the vendor’s correct TIN number.

In addition to obtaining credit for expenditures to M/WBE vendors, Colleges/Universities may also obtain credit for payments made to M/WBE travel agencies for airline tickets and to M/WBE subcontractor and supplier vendors. Colleges/Universities must manually report this expenditure data in accordance with instructions contained in Appendix C and D.

DETERMINING MBE AND WBE UTILIZATION:

Credit is only given for payments made to minority or women business enterprises that are certified by OMWBE, using the following formula: The dollar amount of expenditures to MBEs and WBEs is divided by the Participation Base to obtain the utilization percentages.

DETERMINING THE WINDOW OF CERTIFIED FIRM UTILIZATION:

OMWBE creates a “Window of Certified Firms” to determine what minority and women business can be included in the Performance Reports.

“Window” = The current fiscal year + 90 days prior into the reporting year in question.

For example, if the current reporting fiscal year is FY10 (July 09 - June 10) and the firm is currently certified at any time during April 2009 through June 2010, all payments made to the firm will count towards utilization for that entire fiscal reporting year.

REPORTS:

OMWBE provides each College/University a quarterly report showing its cumulative participation base to date, amount expended and resulting percentages with valid M/WBEs (Performance), and individual M/WBE firms (Match) (See Appendix E). A summary of this information is included in the annual report OMWBE provides to the Governor and the Legislature.

Appendix A

MWBE PROGRAM SUB-OBJECTS

CONSTRUCTION	JE	Land
	JF	Buildings
	JG	Highway Construction
	JH	Improvements Other Than Buildings (Non State Hwy System)
	JJ	Grounds Development
ENGINEERING & ARCHITECTURAL SERV	JK	Architectural & Engineering Services
	JL	Capital Planning
PROFESSIONAL SERVICES	CA	Management & Organizational Services
	CB	Legal & Expert Witness Services
	CC	Financial Services
	CD	Computer & Information Services
	CE	Social Research Services
	CF	Technical Research Services
	CG	Marketing Services
	CH	Communication Services
	CJ	Employee Training Services
	CK	Recruiting Services
	CZ	Other Personal Services
PURCHASED GOODS	EA	Supplies & Materials
	FH	Raw Materials (Direct Materials)
	JA	Non-capitalized Assets
	JB	Non-capitalized Software
	JC	Furnishings & Equipment
	JM	Art, Library Reserve, Museum & Historical Collections
	JQ	Software
	JZ	Other Capital Outlays
PURCHASED SERVICES	EB	Communications & Telecommunications Services
	EE	Repairs, Alterations & Maintenance
	EF	Printing & Reproduction
	EH	Rentals & Leases: Furnishings, Equipment & Temporary Use of Space
	EP	Insurance
	ER	Other Purchased Services - Contractual
	ES	Vehicle Maintenance & Operating Costs
	EZ	Other Goods & Services
	FD	Freight-In
TRAVEL (PART 3 Sub-Contractor File)	GB	In-State Air Transportation
	GD	Other Travel Expenses
	GG	Out of State Air Transportation

Note: Colleges/Universities may petition for the inclusion of expenditures in other Sub-objects. See the instructions for additive exceptions in Appendix B.

Appendix B

EXCEPTIONS

All expenditures in any of the Sub-objects listed in Appendix A are automatically included in the College/University's reporting base. However, OMWBE has determined that the Colleges/Universities should have the opportunity to deduct certain of these expenditures from their reporting base because they may have no discretion in selecting the vendor. This "Exception" is accomplished when the College/University enters one of the following Exception Codes in the Exception Flag field of the record.

Exception Code "E":

Sub-object **ALL** - Only allowed on expenditures made to banks, credit unions, for services, loans, safety deposit box rental and fees – Examples: Frontier Bank, Banner Bank, Key Bank, Obee Credit Union. **Note: Exceptions are not permitted for actual credit card payments.**

Sub-object **EA** (Purchased Goods – Supplies & Materials; Groceries/Food) – Allowed only on expenditures made to supermarket and major grocery store chains for food – Examples: Safeway, Top Foods, Albertsons, Fred Meyer, Thriftway and QFC. **Note: Exceptions are not permitted for expenditures made to local specialty stores – Examples: ethnic, health, bakery, convenience stores.**

Sub-object **EA/JA/JB/JC/JQ** (Purchased Goods) – Only allowed on expenditures made directly to computer equipment and software manufacturers – Examples: Microsoft, International Business Machines (IBM), Hewlett-Packard (HP), Dell, Apple, etc.

Sub-object **EB** (Purchased Services – Communications) – Allowed on expenditures for letter postage, post office box and postage meter and or mailing machine rental and maintenance, safety deposit box rental fees and messenger service. Also permitted, internet service providers, telephone installation costs and local/long distance monthly telephone line and cellular service – Examples: AT&T, Arch Wireless, Centurytel, Cingular, Comcast, MCI, MetroCall, Nextel, Qwest, Reachone Internet, Sprint, US Cellular, Verizon, and X5 Solutions. **Note: Exceptions are not permitted for telephone or cellular equipment or repair.**

Sub-object **EB/ER** (Purchased Services – Communications/Other Purchased Services) – Allowed on expenditures for global express package delivery/tracking - Examples: FedEx, UPS and DHL.

Sub-object **EE** (Purchased Services – Repairs, Alterations & Maintenance) – Only allowed for expenditures required by the building owner/landlord when the agency does not have a choice in vendor selection.

Sub-object **EH** (Purchased Services – Rental & Leases) – Only allowed on expenditures for the temporary use of space, including space for conferences and meetings.

Sub-object **ER/EZ/JE** (Purchased Services and Construction/Land) –

Only allowed on expenditures made to title companies – Examples: Pacific Northwest Title, Mason Co Title. **Note: Automatic exceptions are not permitted for local insurance agencies & brokerages.**

Sub-object **ER/EZ** (Other Purchased Services/Goods & Services) – Only allowed on direct payment expenditures to radio and television broadcasting companies – Examples: Fisher Broadcasting, Infinity Broadcasting/CBS Radio, KBSG, KISW, KIRO, KOMO, KING 5, etc. **Note: Not allowed for any payments for broadcasting equipment, service/repair or for any advertising/ad agencies.**

Sub-object **ES** (Vehicle Maintenance & Operating Costs) – Allowed on expenditures made to Gas Stations including the Voyager Fleet Card for vehicle gasoline only. **Note: Please record payments made to OMWBE Certified Gas Stations in the Part 3 Sub-Contractor file** (See Appendix C).

Sub-object **JE** (Construction – Land) – Allowed on expenditures for the acquisition of land.

Sub-object **JF** (Construction – Buildings) – Allowed on expenditures for the acquisition of buildings and interest cost on project loans accrued during the construction period.

Sub-object **JM** (Purchased Goods Art, Library Reserve, Museum & Historical Collections) – Allowed on expenditures for the acquisition of works of art and historical landmarks.

Exception Code “S”:

Expenditures to DSHS-approved Community Rehabilitation Centers (previously known as Sheltered Workshops) in any sub-object.

Exception Code “N”:

Expenditures to government entities and non-profit organizations, including federal, state, county, and municipal governments in any sub-object - Examples of vendor keywords: County, City, State Agencies (Office of/Department/WA State), Post (office), School/University, Tribe/Tribal, Youth/Children, Health, Hospital, Medical, Fund, Foundation, Association and Community.

Exception Code “K”:

Expenditures to non-certified firms pursuant to Department of General Administration “Mandatory-use” contracts in any sub-object. The “K” flag exception code is only allowed for Mandatory contracts. **Note: OMWBE is currently holding stakeholder workgroups to discuss the continuation of this OMWBE reporting guideline.** To determine if a vendor has a current Contract visit GA/DES’s site at:
<https://fortress.wa.gov/ga/inet/pca/pcacont.htm>

When are Part 1 Purchase/Credit Card Exceptions allowed: Report all purchase card transactions as Part 1 (These payments do not qualify for an exception code since the College/University has the option in vendor selection). However, if the specific expenditure qualifies as one of the exceptions above, the E, S, K or N flag is allowed, i.e., if the payment is made to JP Morgan Chase/US Bank for a charge to Comcast specifically for wireless internet service (sub-object EB) the “E” flag is allowed on that expenditure. For more information please refer to Appendix D.

PETITIONS FOR EXCEPTION:

In addition to the pre-approved exceptions in Appendix B, the College/University may petition for additive or deductive exceptions. An additive exception may be allowed for an MWBE expenditure assigned a sub-object that is not on the list in Appendix A. A deductive exception may be allowed for a expenditure to a non-certified business where there were no available certified firms to participate at any level; e.g. prime, subcontractor or supplier. A petition for additive or deductive exception must be submitted in writing (hard copy or electronic submittal) to OMWBE at the time the College/University makes a purchasing decision. The following information is required:

- a) College/University number and contact person/information
- b) Sub-object code for the expenditure
- c) Vendor name
- d) Vendor Tax Identification Number (TIN)
- e) Dollar amount (actual or anticipated)
- f) Detailed justification for the petition

If OMWBE approves the petition, it will provide written instructions stating how the College/University is to report the expenditure and which exception code to use.

NOTE: Colleges/Universities do not need to submit a separate petition for additive exception for expenditures to certified travel agencies that are assigned sub-object GB, GG or GD. These expenditures should be reported in the same manner as payments to subcontractors (in Part 3). OMWBE has determined Colleges/Universities will automatically receive a credit toward their M/WBE utilization (Purchased Services) equal to twenty (20%) of the actual total dollar value of these expenditures (See Appendix C, Note 3).

Appendix C

DATA ENTRY INSTRUCTIONS AND FORMAT

The following format is used by CIS and Institutions that report directly to OMWBE:

DATA TITLE	CHARACTERS	FIELDS	NOTES
Report Part (1 or 3)	1	1	1
College/University Number	4	02-05	
Firm Name	32	06-37	
Firm Fed ID (TIN) <i>(No dash)</i>	9	38-46	
Exception Flag	2	47-48	2
Sub-object	2	49-50	
Dollar Amount	15	51-65	3
Contract Number	11	66-76	
Fiscal Year	2	77-78	
Fiscal Month	2	79-80	

Note 1: In the Report Part field, enter a “1” for expenditure, or enter a “3” for all payments made to a M/WBE certified travel agency, subcontractor, or supplier.

Note 2: Enter the appropriate Exception Code from Appendix B; i.e., “E,” “S,” “K” or “N” in space 47 (the first field space of the available characters).

Note 3: In accordance with WAC 326-40-060, expenditures to travel agencies are counted at only twenty (20%) percent of the dollar amount of the payment. Colleges/Universities must enter the full amount of the payment. OMWBE will calculate the adjustment so that the monthly report will reflect twenty (20%) percent of the total value in the M/WBE utilization column for Purchased Services. These payments will not be added to the Participation Base.

DATA SUBMITTAL INSTRUCTIONS - REQUIRED:

- Enter data in fields from left to right, i.e., the exception flag allows for two characters if an E, S, K or N applies, it should be recorded in the first field (number 47);
- **Data must be saved as either a Notepad or Excel 2007 file;**
- Must be sent by a secure transaction – FTP or emailed as an encrypted/password file;
- Will not be accepted if it does not follow the instructions/format outlined in these guidelines.

Procedures For Correcting Previously Entered Records

The following procedures must be followed to make corrections or changes to a previously entered record or transaction:

- Use the same account codes as the prior transaction. **Note:** *Be sure to identify the exact same TIN Number, Sub-Object and enter the amount as a negative.*
- The corrections will only be processed during the current Fiscal Year. Once the Fiscal Year has closed, no further corrections will be processed. **Note:** *Month 12 or 24 closes mid July following the end of the subject fiscal year.*

Appendix D

REPORTING PURCHASE CARD EXPENDITURES

JP Morgan Chase and US Bank:

All Purchase Card payments made directly to JP Morgan Chase/US Bank's (Prime-Contractor) are reported in Part 1 under JP Morgan Chase/US Bank's TIN number by the Colleges/Universities. This action will allow all Purchase Card expenditures to be reflected the Participation Base.

Flagging all payments in Part 1 to the Purchase Card is not allowed since the College/University has a choice in vendor selection. However, if the specific expenditure qualifies as one of the exceptions listed in Appendix B, the E, S, K or N flag is allowed. **NOTE:** *If OMWBE has determined that the College/University has blanket flagged all of their purchase card transactions unless an exception has been granted or is listed in Appendix B, the mass flags will be pulled off the data and included in the participation base.*

Community Colleges/CIS and Universities/Institutions Reporting - JP Morgan Chase:

Pertaining to credit for M/WBE purchases made using JP Morgan Chase purchase cards: JP Morgan Chase has made changes to their Connectivity Services site and is no longer making Community College raw data expenditure data available to OMWBE. Therefore, OMWBE is not able to process the M/WBE Purchase Card vendor payments to add directly to the Part 3 Sub-Contractor file. However, during the month of August the college may submit their payments directly to OMWBE to match to our database of certified firms for the previous fiscal year. Please contact OMWBE for more information.

Universities/Institutions- US Bank: Pertaining to credit for M/WBE purchases made using US Bank purchase cards: OMWBE will process the M/WBE Purchase Card vendor payments by adding these payments to the Part 3 Sub-Contractor file (provided the vendor TIN is valid) this data is then reported on the ORS Match report of certified firms. When reviewing the quarterly ORS Match reports the University should verify that all payments made to certified M/WBE's are identified.

ASSISTANCE / QUESTIONS:

For Community & Technical Colleges:

Contact the Center for Information Services (CIS) for data entry, control table/screen assistance or technical report assistance please post your questions on List Serv, contact the CIS Support Help Desk at 425-803-9721 or Email CIS at Support@CIS.CTC.edu

Contact OMWBE:

For questions about these guidelines, contact the OMWBE Agency Support Unit at: 360-753-9693 or gking@omwbe.wa.gov

A current copy of these OMWBE Guidelines for CTC & Institution Reporting or General information, i.e., interim contract language, I-200 information, Supplier Diversity Initiative, etc., can be found at OMWBE's web site at:

<http://www.omwbe.wa.gov/supplierdiversity/index.shtml> and
http://www.omwbe.wa.gov/supplierdiversity/supplierdiversity_reporting.shtml

To determine the certification status of a firm, please view the Directory of Certified Firms at: http://www.omwbe.wa.gov/certification/certification_directory.shtml or contact OMWBE at 360-753-9693.

Contact General Administration/Dept. of Enterprise Services:

To determine if a vendor has a Current GA/DES Contract:
<http://www.ga.wa.gov/Purchase/contracts.htm>

Appendix E

OMWBE UTILIZATION REPORTS (Sample Report Forms)

Performance Report

STATE OF WASHINGTON		<i>Report Date</i>					
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES							
PERFORMANCE REPORT BY AGENCY/INSTITUTION AND CLASS OF CONTRACT							
Reporting Period:		Starting date	Thru		Ending date		
College/Univ Class of Contract**	MBE Dollars	%	WBE Dollars	%	Non-Certified Dollars	%	Participation Base Dollars
COLLEGE/UNIVERSITY NAME - NUMBER							
CONSTRUCTION							
ENGINEERING AND ARCHITECTURE							
PROFESSIONAL SERVICES							
PURCHASED GOODS							
PURCHASED SERVICES							
TRAVEL EXPENDITURES*							
DEPT. TOTAL:							

*NOTE: If travel is listed above, the amount is 20% of the Actual Dollars Reported.

**NOTE: A College/University will only have the Classes of contracts listed in which they report expenditures.

Match Report

STATE OF WASHINGTON		<i>Report Date</i>	
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES			
MATCH REPORT -- BY AGENCY/INSTITUTION AND INDUSTRY			
Reporting Period:	<input type="text" value="Starting date"/>	Thru	<input type="text" value="Ending date"/>

College/Univ Class of Contract**	Cert. Status	ID#	Company	Dollar Amount
COLLEGE/UNIVERSITY NAME - NUMBER				
CONSTRUCTION				
			CLASS OF CONTRACT TOTAL:	
ENGINEERING AND ARCHITECTURE				
			CLASS OF CONTRACT TOTAL:	
PROFESSIONAL SERVICES				
			CLASS OF CONTRACT TOTAL:	
PURCHASED GOODS				
			CLASS OF CONTRACT TOTAL:	
PURCHASED SERVICES				
			CLASS OF CONTRACT TOTAL:	
TRAVEL EXPENDITURES*				
			CLASS OF CONTRACT TOTAL:	
AGENCY TOTAL:				

*NOTE: If travel is listed above, the amount is 20% of the Actual Dollars Reported.

**NOTE: A College/University will only have the Classes of contracts listed in which they report expenditures.

Part 3 Correction Report

Office of Minority and Women's Business Enterprises ORS PART 3 Correction Report

Fiscal Year/Month College/University Name & Number

Part 3	Vendor Name	ID#	S/O	Amount	Contract	OMWBE Comments/Corrections
39990	ABC Travel	xxxxxxxx	GB	234.56	0313 0	TIN is YYYYYYYYYY on file - Please correct TIN
39990	XYZ Travel	xxxxxxxx	GG	123.45	0313 0	Decertified 07/20/04 – No longer a certified firm
39990	123 Construction		JF	1234.56	0313 0	Blank TIN – Please correct TIN to ZZZZZZZZ

Please forward correction report to your accounting manager ASAP for adjustments

If you have questions regarding this report please contact your OMWBE Liaison....